

AVIATION ENTERPRISE FUNDS

The Aviation Department operates two municipal airports: Albuquerque International Sunport and Double Eagle II Reliever Airport. The Albuquerque International Sunport is home to eight major commercial carriers, six regional and commuter airlines, and five freight service providers. The number of passengers going through the Sunport has increased an average of 2% annually over the past 15 years. Double Eagle II is located on Albuquerque's west side. This facility has approximately 240 based aircraft and approximately 120,000 annual operations comprised of training, military, air ambulance, charter, private, and corporate flights.

MISSION

Plan and deliver premier aviation services that contribute positively to Albuquerque and New Mexico by assuring a safe, pleasurable airport experience for passengers and quality services for our customers.

FISCAL YEAR 2007 HIGHLIGHTS

The proposed FY/07 operating budget for the City's two airports including transfers for capital and debt service needs is \$72.4 million which is an increase of \$7.7 million from the approved FY/06 budget. Transfers for debt service, capital and indirect overhead account for \$6.7 million of the increase with the transfer to the debt service fund accounting for \$5.9 million of the increase. The additional \$1 million increase is comprised of increases in health insurance costs, adjustments for operating expense and \$735 thousand in additional funding for capital projects coming on line in FY/07.

The capital projects funding includes \$175 thousand for half a year's funding of the operations of the control tower at the Double Eagle II Reliever Airport. The control tower is expected to begin operation in January, 2007. The increased funding is supported by \$166 thousand in federal revenue.

The completion of the terminal expansion at the Sunport will require an additional \$199 thousand for five support staff. The cost of the additional staff is

partially offset by a decrease of a janitorial contract in the amount of \$115 thousand. Included in the five staff are three custodians, one custodial supervisor and one terminal supervisor. The additional staff will provide adequate coverage of the 60 thousand square feet expansion including the new security checkpoint, four new restrooms and a new holdroom as well as maintenance of the rental car facility. There is also one additional staff added for maintaining the airport's HVAC system. The cost of this position is offset by a decrease in contractual services for HVAC services. This will provide the airport with dedicated HVAC support.

The department also plans to issue a request for proposal (RFP) for maintenance of the new landscape funded through the capital program. Maintenance of the landscape is currently provided by the Parks and Recreation department as well as outside entities. A competitive bid will help to ensure that the \$3.3 million investment in landscape improvements is adequately maintained. The additional cost for the RFP is expected to have an impact of \$475 thousand on the operating fund.

The Sunport continues to work on wildlife issues around the airport. One time funding of \$135 thousand is carried over from FY/06 for a wildlife study that would include recommendations on how to address relocation of wildlife that impacts airport safety.

Revenues for proposed FY/07 are expected to increase by \$3.2 million over the FY/06 budgeted level. Contributing factors include: airline rents; airport parking and revenues from the rental car facilities.

The Debt Service Fund transfer from the Operating Fund will increase by \$5.9 million. An increase in principal and interest payments of \$2.4 million and the utilization of \$3.4 million of prior year fund balance no longer available in FY/07 are responsible for this increase.

(\$000's)	UNAUDITED ACTUAL FY/05	ORIGINAL BUDGET FY/06	REVISED BUDGET FY/06	ESTIMATED ACTUAL FY/06	PROPOSED BUDGET FY/07	PROP 07/ EST ACT 06 CHG
PROGRAM STRATEGY SUMMARY BY GOAL:						
GOAL 3: PUBLIC INFRASTRUCTURE						
AIRPORT OPERATING FUND - 611						
Aviation Management & Professional Support	23,431	25,644	25,644	24,672	3,463	(21,209)
Airport Operations, Maintenance & Security	0	0	0	0	23,204	23,204
Trfr from Fund 611 to Fund 613	22,150	18,300	18,300	18,300	19,000	700
Trfr from Fund 611 to Fund 615	17,850	19,600	19,600	19,600	25,500	5,900
Trfr from Fund 611 to 110	1,170	1,084	1,084	1,084	1,214	130
Total Airport Operating Fund - 611	64,601	64,628	64,628	63,656	72,381	8,725

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AIRPORT REVENUE BOND D/S FUND - 615						
Debt Service	21,426	23,454	23,454	23,454	25,814	2,360
TOTAL GOAL - 3	86,027	88,082	88,082	87,110	98,195	11,085
GOAL 6: ECONOMIC VITALITY						
AIRPORT OPERATING FUND - 611						
Economic Development Asset	15	30	30	30	0	(30)
TOTAL GOAL - 6	15	30	30	30	0	(30)
TOTAL APPROPRIATIONS	86,042	88,112	88,112	87,140	98,195	11,055
TOTAL FULL TIME POSITIONS	260	262	262	262	268	6

AIRPORT OPERATING FUND 611 RESOURCES, APPROPRIATIONS, AND WORKING CAPITAL BALANCE

(\$000's)	UNAUDITED ACTUAL FY/05	ORIGINAL BUDGET FY/06	REVISED BUDGET FY/06	ESTIMATED ACTUAL FY/06	PROPOSED BUDGET FY/07	PROP 07/ EST ACT 06 CHG
RESOURCES:						
Miscellaneous Revenues	334	275	275	340	276	(64)
Enterprise Revenues	64,063	61,865	61,865	65,634	65,037	(597)
Total Current Resources	64,397	62,140	62,140	65,974	65,313	(661)
Beginning Working Capital Balance	10,860	10,109	10,109	10,109	12,397	2,288
TOTAL RESOURCES	75,257	72,249	72,249	76,083	77,710	1,627
APPROPRIATIONS:						
Aviation Department Operations	23,446	25,674	25,674	24,702	26,667	1,965
Transfers to Other Funds	41,170	38,984	38,984	38,984	45,714	6,730
TOTAL APPROPRIATIONS	64,616	64,658	64,658	63,686	72,381	8,695
ADJUSTMENTS TO WORKING CAPITAL	(532)	0	0	0	0	0
ENDING WORKING CAPITAL BALANCE	10,109	7,591	7,591	12,397	5,329	(7,068)

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AIRPORT REVENUE BOND DEBT SERVICE FUND 615 RESOURCES, APPROPRIATIONS, AND FUND BALANCE

(\$000's)	UNAUDITED ACTUAL FY/05	ORIGINAL BUDGET FY/06	REVISED BUDGET FY/06	ESTIMATED ACTUAL FY/06	PROPOSED BUDGET FY/07	PROP 07/ EST ACT 06 CHG
RESOURCES:						
Miscellaneous Revenues	563	270	270	270	270	0
Bond Proceeds	0	0	0	0	0	0
Transfers from Other Funds	17,850	19,600	19,600	19,600	25,500	5,900
Total Current Resources	18,413	19,870	19,870	19,870	25,770	5,900
Beginning Fund Balance	9,056	6,154	6,154	6,154	2,570	(3,584)
TOTAL RESOURCES	27,469	26,024	26,024	26,024	28,340	2,316
APPROPRIATIONS:						
Airport Debt Service	21,426	23,454	23,454	23,454	25,814	2,360
TOTAL APPROPRIATIONS	21,426	23,454	23,454	23,454	25,814	2,360
FUND BALANCE PER CAFR	6,043	2,570	2,570	2,570	2,526	(44)
ADJUSTMENTS TO FUND BALANCE	111	0	0	0	0	0
AVAILABLE FUND BALANCE	6,154	2,570	2,570	2,570	2,526	(44)